

Region III Public Meeting 4 — Small Business Interests York, Pennsylvania March 16, 1999

Background

In October 1998, the EPA Region III Public Sector Needs Identification Team launched an assessment of customer needs and preferences for environmental information. This assessment involved a series of five facilitated public meetings conducted in cooperation with the EPA Region III office. Each meeting investigated a different stakeholder group, its current information gathering methods, its information needs, special issues for the stakeholder group, and investigation of the Customer Information Process (CIP) and Information Attribute (IA) priorities for the group.

The CIP and IA analysis tools were developed in 1997 for an EPA customer study conducted by the Center for Environmental Information and Statistics (CEIS) and the Environmental Monitoring for Public Access and Community Tracking (EMPACT) Program. This study sought to characterize customer needs for environmental and health-related information, preferences for accessing information, and interest in having more time-relevant monitoring and reporting capabilities. The CIP/IA framework is described in more detail below.

Summary Statement

The public meeting in York, Pennsylvania, brought together representatives of various small and medium-sized businesses including dry cleaners, auto repair shops, electroplaters, and industrial machinery sales. The group repeatedly returned the discussion to regulatory issues, particularly the difficulties participants had in acquiring, interpreting, and complying with environmental regulations. Group members had extremely strong feelings about these regulatory issues, and found connections back to these topics when the subject matter changed. Participants stated that the laws and regulations they must abide by in their individual businesses were very difficult for business owners and employees to understand, and found it burdensome to keep on top of the requirements. The group agreed that, although communication between regulators and small businesses improved over the past few years, increased understanding and cooperation between these groups was required in order to reach a common goal of protecting the environment.

The participants admitted that they distrust EPA and other regulatory agencies; they suggested that EPA work more closely with trade associations to develop and distribute step-by-step regulatory guidelines to the industries, written in a way that is very accessible and easy to understand. There was also a high degree of concern among many members of the group that regulations were not uniformly enforced within and across industries, and that those businesses

that tended to be more conscientious had trouble competing for business and were more highly scrutinized by enforcement officials than those businesses that were not so conscientious.

Wish List

The group's wish list consisted of a few items that were repeated often throughout the discussion. All members strongly agreed that EPA should improve the regulatory process by:

- Simplifying the regulations by using language that is easy for the average person running a business to understand;
- Working with trade associations to distribute industry-specific regulatory information and develop regulatory guidelines;
- Holding additional stakeholder group meetings with representation from more types of businesses that provide opportunities for regulators to meet with business owners and discuss regulatory concerns before regulations are written and issued; and
- Enforcing regulations uniformly within and across industries.

Information Experience

Group members strongly agreed that regulatory issues were their biggest concern, and focussed on the acquisition and interpretation of environmental regulations throughout the discussion. With regard to the acquisition of information, most members said they did not learn about new regulations through EPA or other government agency, but most often became aware of regulations from individuals who attempted to sell them pollution-abatement technology. One participant stated, "A lot of the stuff, if I don't overhear it, I don't even know it exists . . . There's no regular communication back and forth." Although the group members said that they receive large quantities of letters and other information from EPA in the mail, they agreed that they often did not have the time to sort through everything and try to cut through the difficult language to figure out what was pertinent to their businesses, so much of this information wasn't read.

Although participants said they did not trust that salespeople provided accurate information, most did not call EPA when they had a question about regulations or compliance because they also did not believe that EPA was credible. As a whole the group thought that it could be dangerous to contact EPA. One member related a story where someone called EPA for information on how to comply with a regulation, followed the instructions they were given, and were later cited for noncompliance. One member strongly captured the group's high level of distrust by revealing that he only dealt with EPA through his attorney due to attorney-client privilege because, "If you have a certain problem and you want to get EPA or DEP's thoughts on it . . . you're going to have an inspector standing at your front door the next day or the same day . . ."

Most participants belonged to trade associations, and found information from their associations the most trustworthy. One member stated the strong opinion of the entire group when he said, "There's no comparison. The credibility is definitely more on the side of the association, or someone other than government . . . The guys from the government, I don't want anything to do

with.” The group agreed that EPA should work closely with each of the trade associations to distribute and explain information to small business owners.

Few of the participants had experience with the EPA Web site. However, one member used the DEP and EPA Web sites, and said that although most of the regulatory information he looked for was available, the site was difficult to navigate and it took too much time to find. He pointed out that the ‘county notebooks’ on the DEP site were very useful because, as a user, he found out quickly what was going on in each county, such as whether competitors were cited for noncompliance. He suggested, and others agreed, that EPA and DEP have a portion of their Web site that is industry-specific and lists new laws, regulations, and other important information relevant to each industry.

Problems with EPA Information

Participants focussed on the need for EPA to clarify and simplify information, as well as to develop a way to organize and reduce the quantity of information distributed through the mail.

Attendees agreed that receiving easy-to-understand, industry-specific summaries of the regulatory information from EPA through the trade associations would resolve the problems of “too much information” and the lack of organization. One participant summed it up by explaining, “What is happening is that there is too much information that is given to all of us or is put out there that we are supposed to act upon, and we don’t have enough time to do that and run our businesses.”

All participants strongly agreed that regulations were too complicated to understand, and made it very difficult for them to comply. One participant explained that many small businesses are operated by “simple working people” who couldn’t afford to hire environmental engineers or consultants. Another stated, “You don’t have time...to go back to college and get a chemical engineering degree or something to understand it.” All members agreed that the information needed to be presented in clear, simple language that was understandable to the common citizen.

Attendees also strongly agreed that it was the government’s job to clearly explain how businesses could comply with the regulations. One member stated, “Don’t make us figure out how to do it because that’s not our job.” The group suggested simple, step-by-step guidelines. Time and money also played an important role in the discussion. One participant said of regulatory information, “Have it so that’s it’s easy to understand and comply with, and then we’ll do it. . . . I’m not going to spend a week trying to figure it out, or pay someone \$275 an hour to tell me how to do it.” Another stated, “It all comes down to a cost, and if you have something that is simple to understand and implement, it’s a lot less costly than something you have to dig through that you don’t understand.”

The group was able to think of one positive example of a regulation that was presented to them in a clear, understandable form. Many agreed that the emissions program was well spelled out in terms of what a business must do for emissions testing, and included training and recertification programs, which ensured that no one could perform emissions testing without proper training.

Special Areas

One participant addressed self-policing, voluntary compliance programs he joined such as the Strategic Goals Program for the metal finishing industry. He explained that he was on the Incentives Board, and believed the program had a lot of value. However, he was also somewhat skeptical, and felt that businesses did the work EPA should have done. He also commented that he felt very pressured into joining the program initially for fear that the “voluntary program” really wasn’t. “The paper says it’s voluntary, but why do they keep badgering and hounding you to death on something that supposed to be voluntary?” He also noted that it took an exorbitant amount of time to fill out the paper work to join the program.

In response to this discussion, other members commented that many businesses were operating under the table and were not in compliance with state or Federal regulations, creating an unfair competitive advantage. Many felt that the companies that actually tried to comply were most closely scrutinized by regulatory agencies. Participants repeatedly asked for uniform enforcement of regulations across localities and across businesses.

Participants also expressed that they did not think that those who developed the regulations took into account concerns of small businesses or consider how the regulations affected the end user. One member suggested that the regulatory process be changed so the regulations primarily affected the initial suppliers of harmful products who actually knew the chemicals that were in the product, instead of those who simply wanted to buy a product needed in their business, e.g., parts cleaner. Others expressed concern that many of these regulations, due to the high cost of compliance, damaged small businesses, particularly in the manufacturing sector. Many of these businesses were forced to close or move out of the United States. One member stated, “They may be looking at clean air . . . and don’t really think about how it affects your company and their people, their jobs. There’s a lot of negative effects that they create by doing some of these regs which oftentimes are worse than what they tried to correct.”

Small Business Regulatory Challenge

The small business group found several challenges with regulatory information. Regardless of industry or sector, the group agreed that EPA should focus on four vital areas of information management.

- Keep information as simple as possible.
- Offer regulatory information organized by industry sector.
- Keep information accessible through a number of sources.
- Offer practical and binding solutions for regulatory responses.

The group returned to regulatory issues as related and key to almost every information topic offered for discussion.

Customer Information Process/Information Attributes

EPA adopted a framework to compile and categorize meeting commentary. This framework included an assessment of the Customer Information Process (CIP) and the Information Attributes (IA) important to EPA stakeholders. The CIP has four basic elements: Identification (establishing the existence and

location of information), Acquisition (obtaining the information in an appropriate format), Management (adapting, translating, integrating, or combining the information to the customer's unique purpose), and Use (applying, interpreting, or assimilating the information in a value-added manner). Second, the meetings have been assessed according to Information Attributes. Topical attributes for the IA analysis included: Media (e.g., air, water); Industry (sector), Geography (e.g., site specific, local, regional); Legislation/Regulation; Time Dimension (e.g., update schedule); Demographics; Accuracy/Reliability; and Other Topics such as health concerns.

This section highlights the CIP and IA priorities for the York, Pennsylvania small business meeting.

Group members were concerned with all elements of the Customer Information Process, but primarily integration and use. As discussed earlier, participants were unable to easily identify and acquire pertinent regulations due to the large quantity of information they received from EPA and DEP that they were unable to sort through in a timely manner, as well as poor communication with EPA and other regulatory agencies. In addition, the regulations were not written in a way that was easily understandable, so compliance was very costly and difficult. Interpretation of the regulations was also been a problem due to the differences in laws between localities. Businesses were unable to tell clients how to properly handle and use their products because they did not understand how the regulations applied to every municipality. One participant stated, "It's now a matter of interpretation where someone applies it one way in one area and a different way in another."

With regard to attributes, participants were primarily concerned with regulatory information. Participants also questioned the credibility of information they received from EPA. They agreed strongly that they trusted their trade associations or any non-government entity more than EPA, and they preferred that regulatory information be distributed to them through their trade associations. Attendees also strongly agreed that categorizing and specifying the information by industry would reduce the quantity and complexity of information. Due to differences in interpretations of regulations across localities, the group also agreed that it was important to specify the actual distinctions among the applications of regulation in different geographic areas.

EPA/Region III

Many members of this group had negative experiences communicating with EPA. A few of the group members attempted to call Region III, but could not contact a person who understood their questions about the regulations. A couple of participants said they were given the "run around." One attendee suggested that EPA have industry-specific contacts to answer questions about the regulations. Others said they would love to have one sheet of paper from EPA that quickly summarizes the regulations they must abide by to run legitimate shops. One member supported this idea by stating, "Put it into plain sense so that people like us that are busy running their businesses every day can have short blurbs, whether it's on the Internet, on a fax-by-demand, give me what I need."

One member had a positive experience at a public meeting with EPA and members of dry cleaning associations, and felt that EPA understood the problems these businesses had with regulations and compliance. He agreed that EPA should be partnering with associations to help educate the industry and stated, “EPA needs to work with associations to compile regs in an understandable fashion. From my standpoint, that would be the key to success.”

The participants ended the discussion on a high note, and admitted that EPA listened more to industry and softened its “storm trooper” attitude during the last few years. One member acknowledged that EPA was beginning to work more with industry in the form of stakeholder groups, where regulations were discussed before they were written and issued. With regard to his participation in this stakeholder group with EPA, he stated, “. . . the results we’ve seen from that have been very positive.”

Participants

Barry Burkholder
Barry’s Paint Shop

Dale I. Kaplan
Kaplan Drycleaners

Charles Rupp
Y-E-P Industries, Inc.

Quay F. Smith
A.D.F.

David R. Sollenberger
Electro-Platers of York, Inc.

J. Thomas Zech
ASP of PA (Auto Service DLR)

EPA Observers

Joe Kunz
Janet Viniski

Other Observers

Richard Seagrave Daly, SBA